GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industrial Promotion – AP Industrial Development Policy 2020-23 - Extension of Special Package to M/s JSW Steel Limited to set up an Integrated Steel Plant in YSR district, Andhra Pradesh under Mega Industry Category – Orders – Issued.

INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.Ms.No.87. Dated:21-12-2022

Read the following.

1. Letter Dated 15th November 2022 pertaining to proposal of M/s JSW Steel Ltd, from Joint MD and Group CFO.
2. From the MD, YSRSCL, eOffice File No: INC65/12/2022-MD-INC65 (Computer No: 1919372) through the Director of Industries.
3. Minutes of the State Investment Promotion Committee meeting held on 09.12.2022
4. Minutes of the State Investment Promotion Board meeting held on 12.12.2022.

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ORDER:

In the reference 2nd read above, the MD, YSRSCL has forwarded the proposal of M/s JSW Steel Limited received vide reference 1st read above through the Director of Industries informing that JSW Group CFO submitted the proposal of M/s JSW Steel Limited, a flagship company of the diversified US$22 Billion JSW Group, for establishing an Integrated Iron and Steel Plant at Sunnapuralla Palle, Jammalamadugu, YSR District either on its own or through its subsidiary, associate, affiliate or a group company or as technical/Strategic investor with an investment of INR 8800 Crore in 2 phases and with a potential to create employment to 2,500 people directly and 4000 people indirectly. The phase-wise project details are as tabulated :

S.No.	Phase	Activity	Capacity	Investments	Timelines
1	Phase I	"wire rod and bar mill or any other rolling mill" with Electric Arc Furnace	1.0 MTPA	Rs.3300 Crs	36 Months
2	Phase II	1.0 MTPA Steel production along with backward Integration for the 1st phase.	1.0 MTPA	Rs.5500 Crs	24 Months (31.03.2029)

2. In addition to the above, the company proposes to explore the option of setting up 2.5 Mt/yr DRI plant, based on Green Hydrogen and proposed to set up 1,000 MW electrolyser plant and also the option of establishment of 3,000 MW Renewable power facility (Solar, Wind or Pumped Hydro Storage) in the vicinity of proposed Steel plant and will set up Battery storage and Hydrogen storage system based on the power profile of the site.

(p.t.o)

3. Accordingly, the company has requested the Government for the following incentives.

I. **Non-Fiscal Incentives:**

A. To provide unencumbered contiguous land, having an area of 3,500 (three thousand fve hundred) acres for Phase-1 & Phase-2 expansion on Freehold or Long-term lease ("**Site**") to JSW Steel Ltd. for the development of the Project.

B. To provide reasonable assistance to JSW in procuring consents and approvals required for construction and operation of the Project.

C. To provide external infrastructure up to the Site (or up to a designated point within the Site, as the case may be) comprising of the following

i. A double circuit transmission line of 400KV from Jammalamadugu substation up to a designated point within the Site, for uninterrupted power supply
ii. A 15 kilometres long pipeline (including acquisition of the right of way for such pipeline) along with the necessary pumping infrastructure from Gandikota reservoir for an assured water supply of 2 TMC per annum
iii. A 4-lane access road to national highway 67 with adequate right of way
iv. A railway connectivity by laying an extension line of about 12 kilometres from Muddanaru railway station, with adequate right of way

II. **Fiscal Incentives:**

a. Stamp Duty on Land Registration: Reimbursement of 100% Stamp Duty Paid.
b. Land Conversion Charges Agri to Non Agri: Reimbursement of 100% Charges Paid.
c. For Sustainable green measure on total fixed capital investment (Waste Water treatment, green buildings, renewable sources, CEMS, Rain Water harvesting etc): 25% Subsidy.
d. Re-imbursement of Power Cost @ Rs. 3/- per Unit for 10 Years on power purchased from DISCOM and for Power purchased from sources other than DISCOM.
e. Exemption of Cross Subsidy Surcharge & Open Access Charges for 10 Years from COD.
f. Exemption of Electricity Duty for 10 Years from COD.
g. Re-imbursement of Net SGST for sale of 1MTPA Products: 100% for 20 Years.

4. Accordingly, the proposal was placed before the State Investment Promotion Committee meeting held on 09.12.2022, wherein the committee noted that establishment of an Integrated Steel Plant at YSR District, is one of the promises made under AP Re-organisation Act 2014 and it is also the long-cherished dream of people of Kadapa and made certain recommendations to SIPB.

5. Accordingly, the proposal was placed in the SIPB meeting held 12.12.2022 and the Board after detailed discussion, decided to extend certain special package of incentives to M/s JSW Steel Limited for their proposed Integrated steel plant at Sunnapuralla Palle, Jammalamadugu, YSR District.

6. Government after careful consideration of the decision of the State Investment Promotion Board, hereby decided to extend the following special package of incentives to M/s. JSW Steel Limited for their proposed Integrated Steel Plant of 2 MTPA capacity in 2 phases with an investment of Rs.8,800 Crore and with a potential to create employment to

(....p.3.)

2,500 people directly and 4,000 people indirectly, subject to certain conditions.

a) Non-Fiscal Incentives:

i. To make the proposal of M/s JSW Steel Limited to set up Integrated Steel Plant through Electric Arc Furnace Route at Sunnapuralla Palle, Jammalamadugu, YSR District, eligible for incentives in relaxation of the IDP 2020-23, issued vide G.O.Ms 39, I & C (P&I), Department, dated:10.08.2020 read with G.O.Ms.10, I & C (P&I), Department, dated:25.02.2021, along with power cost reimbursement.

ii. Industries and Commerce Department shall facilitate the company to get the required clearances/approvals for project in time bound manner.

iii. Allotment of 1100 acres of land on long lease basis for 33 years, extendable to 99 years at a nominal lease rental of Rs.1000 per acre with 5% escalation every year, at Sunnapuralla Palle, Jammalamadugu by YSR Steel Corporation for the initial 2 MTPA proposed integrated steel plant.

iv. Authorised YSR Steel Corporation to reserve the balance land for their other proposed projects, which include 2.5 Mt/yr DRI plant based on Green Hydrogen with 1,000 MW electrolyser plant and YSR Steel Corporation shall allocate the land to the company, as per the extant Policies, as and when the Company submits Detailed Project Reports.

v. YSR Steel Corporation shall provide the following external infrastructure facilities to the Company:

a. A double circuit transmission line of 400KV from Jammalamadugu substation up to a designated point within the Site, for uninterrupted power supply
b. A 15 kilometers long pipeline (including acquisition of the right of way for such pipeline) along with the necessary pumping infrastructure from Gandikota reservoir for an assured water supply of 2 TMC per annum
c. A 4-lane access road to national highway 67 with adequate right of way
d. A railway connectivity by laying an extension line of about 12 kilometres from Muddanaru railway station, with adequate right of way.

b) Fiscal Incentives:

i. Reimbursement of 100% Stamp Duty on Land Registration on the land meant for industrial use on actuals.
ii. 100% reimbursement of Land Conversion Charges from Agriculture to Non-Agriculture purposes on actuals.
iii. Reimbursement of 25% cost of Sustainable green measures, limited to Rs.5.25 Crore or actuals, whichever is less.
iv. Reimbursement of power cost @ Rs.2.0 per unit for 10 years for power purchased from DISCOM / Sources other than DISCOM. The power cost reimbursement will include power cost, electricity duty, cross subsidy, open access charges/ State Transmission charges and other charges, if any.
v. 100% reimbursement of net SGST accrued to the state for a period of 10 years

(p.t.o)

General Conditions:

i. The above incentives, will be made applicable to the company, only after achieving the mega status, as per the IDP 2020-23 Policy and after establishing Integrated Steel Plant, as committed in the DPR.
ii. The Company shall start the construction work immediately, after allotment of land and shall complete the both phases in 60 months from the date of land allotment, phase-1 in 36 months and phase-2 in 24 months.
iii. Further, all the incentives will be limited to 100 % of the Fixed Capital Investment.

7. The Managing Director, YSR Steel Corporation Ltd., the VC&MD, APIIC Ltd., Mangalagiri and the Director of Industries, Andhra Pradesh, Mangalagiri shall take further necessary action accordingly and intimate the status of the progress of the work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP

To
The Director of Industries, Andhra Pradesh, Mangalagiri.
The Managing Director, YSR Steel Corporation Limited, IHC Corporate Building, Mangalagiri.
The Vice Chairman & Managing Director, APIIC Ltd., Mangalagiri.
M/s. JSW Steel Limited, through the Director of Industries, Andhra Pradesh, Mangalagiri.
The PR&RD (PR) Department.
The MA&UD Department.
The H.M.&F.W. Department.
The Labour, Factories, Boilers and Insurance Medical Services Dept.
The EFS & T Dept,
The Collector & District Magistrate, YSR district Hq. at Kadapa.
The District Industries Officer, YSR District, Kadapa.
Copy to:
The Finance {FMU-I&I, Energy and I&C) Department
The Revenue (CT) Department
The Revenue (Registration) Department
The Law (H) Department
The Accountant General, Andhra Pradesh
The Commissioner of Commercial Taxes, Vijayawada
The P.S. to Chief Secretary to Government
The P.S. to Spl.Chief Secretary to Chief Minister
The P.S. to Special Chief Secretary to Govt& CIP, Industries & Commerce
The G.A. (Cabinet) Department (w.r.t. their U.O.No.343/2022, dt.13-12-2022)
SC/SF

//FORWARDED:BY ORDER//
SECTION OFFICER

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Lands – YSR District –Alienation of Ac.29.67 cts in Sy.Nos 571/2, 572/2 etc., of Ponnathata, Ambavaram, Gudemcheruvu and Kothakuntapalli Villages of Jammalamadugu (M) in favour YSR Steel Corporation Limited for laying of pipeline from Mylavaram Reservoir to YSRCL Road Boundary in terms of G.O.Ms.No.571, Revenue (Assn.1) Department, dt.14-09-2012 – Orders – Issued.

REVENUE (LANDS-VI) DEPARTMENT

G.O.Ms.No.66

Dated:20-02-2023
Read:-

From the Special CS & CCLA, A.P., Lr.No.Lands-ALN/1977752/2022, dt:2/2/2023.

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ORDER:-

In the reference read above, the Special C.S. & CCLA has stated that the District Collector, YSR District has submitted proposals for alienation of Ac.29.67 cts in Sy.Nos 571/2, 572/2 etc., of Ponnathata, Ambavaram, Gudemcheruvu and Kothakuntapalli Villages of Jammalamadugu (M) in favour YSR Steel Corporation Limited for laying of pipeline from Mylavaram Reservoir to YSRCL Road Boundary on payment of Market value. The proposal was placed before the APLMA in its meeting held on 2.2.2023 and the APLMA has resolved to recommend the Collector's proposal to Government.

2. Government after careful examination, hereby order for alienation of Ac.29.67 cts in Sy.Nos 571/2, 572/2 etc., of Ponnathata, Ambavaram, Gudemcheruvu and Kothakuntapalli Villages of Jammamadugu (M), YSR District. in favour YSR Steel Corporation Limited for laying of pipeline from Mylavaram Reservoir to YSRCL Road Boundary on payment of Rs. 5.5 lakhs /acre (Rs. 2,20,000/- per acre with multiplication factor value @ 1.25 and solatium @ 100%) as recommended by Collector, YSR District, subject to usual conditions of alienation under BSO 24 and in terms of G.O.Ms.No.571, Revenue (Assignment.I) Dept, dt. 14.9.2012 and other general conditions

i.The land should not be alienated, leased or transferred in any other manner by the allottee to any other organization or entity or department without explicit prior approval of the Government in Revenue Department and it should only be utilized for the purpose intended.

ii. In case, if any environmentally sensitive and fragile areas like water bodies exist, they should not be disturbed under any circumstances.

iii. The land shall be utilized for the purpose for which it is allotted within three years of the orders of alienation.

iv. For violation of conditions as well as non-utilisation of land, the District Collector of District concerned would be the authority to cancel and resume the land from the allottee.

v.The water bodies, if any, existing in the land shall not be disturbed and shall be allowed to continue their natural course.

vi. The existing roads/ rastas shall not be disturbed or otherwise alternate arrangements shall be made.

3. The Chief Commissioner of Land Administration, A.P., and District Collector, YSR District shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G. SAI PRASAD
SPECIAL CHIEF SECRETARY TO GOVERNMENT(FAC)

To
The Chief Commissioner of Land Administration, A.P., Mangalagiri.
The District Collector, YSR District.
Copy to:
The MD, YSR Steel Corporation Limited.
The PS to Spl.Chief Secretary to Hon'ble C.M.
The OSD to Hon'ble Minister (Revenue & Registrations).
The PS to Special Chief Secretary to Govt. (Land).
The G.A.(Cabinet) Department

// Forwarded :: By Order//

SECTION OFFICER.

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Lands - YSR District -Alienation of Ac.78.46 cts in Sy.Nos 74-6, 76-5 etc. of Vemaguntapalli, Ambavaram, Kothakuntapalli, Thugutlapalli, Sunnapurallapalli and Peddandluru Villages of Jammalamadugu (M) in favour YSR Steel Corporation Limited for construction of 4 lane road in terms of G.O.Ms.No.571, Revenue (Assn.1) Department, dt.14-09-2012 - Orders - Issued.

REVENUE (LANDS-VI) DEPARTMENT

G.O.Ms.No.67 Dated:20-02-2023
Read:-

From the Special CS & CCLA, A.P., Lr.No.Lands-ALN/1977752/2022, dt:02/02/2023.

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ORDER:-

In the reference read above, the Special C.S. & CCLA has stated that the District Collector, YSR District has submitted proposals for alienation of Ac.78.46 cts in Sy.Nos 74-6, 76-5 etc. of Vemaguntapalli, Ambavaram, Kothakuntapalli, Thugutlapalli, Sunnapurallapalli and Peddandluru Villages of Jammalamadugu (M) in favour YSR Steel Corporation Limited for construction of 4 lane road. The proposal was placed before the APLMA in the meeting held on 2.2.2023 and the APLMA recommended the proposal to Government for appropriate orders.

2. Government after careful examination, hereby order alienation of Ac.78.46 cts in Sy.Nos 74-6, 76-5 etc. of Vemaguntapalli, Ambavaram, Kothakuntapalli, Thugutlapalli, Sunnapurallapalli and Peddandluru Villages of Jammalamadugu (M), YSR District in favour YSR Steel Corporation Limited for construction of 4 lane road on payment of Rs. 4,12,500/- per acre (Rs.1,65,000/- per acre with multiplication factor of 1.25 and solatium @ 100%) as recommended by Collector, YSR District, subject to usual conditions of alienation under BSo 24 and in terms of G.O.Ms.No.571, Revenue (Assignment.I) Dept, dt. 14.9.2012 and other general conditions;

i.The land should not be alienated, leased or transferred in any other manner by the allottee to any other organization or entity or department without explicit prior approval of the Government in Revenue Department and it should only be utilized for the purpose intended.

ii. In case, if any environmentally sensitive and fragile areas like water bodies exist, they should not be disturbed under any circumstances.

iii. The land shall be utilized for the purpose for which it is allotted within three years of the orders of alienation.

iv. For violation of conditions as well as non-utilisation of land, the District Collector of District concerned would be the authority to cancel and resume the land from the allottee.

v.The water bodies, if any, existing in the land shall not be disturbed and shall be allowed to continue their natural course.

vi. The existing roads/rastas shall not be disturbed or otherwise alternate arrangements shall be made.

3. The Chief Commissioner of Land Administration, A.P., and District Collector, YSR District shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G. SAI PRASAD
SPECIAL CHIEF SECRETARY TO GOVERNMENT(FAC)

To
The Chief Commissioner of Land Administration, A.P., Mangalagiri.
The District Collector, YSR District.
Copy to:
The MD, YSR Steel Corporation Limited.
The PS to Spl.Chief Secretary to Hon'ble C.M.
The OSD to Hon'ble Minister (Revenue & Registrations).
The PS to Special Chief Secretary to Govt. (Land).
The G.A.(Cabinet) Department

// Forwarded :: By Order//

SECTION OFFICER.